

FISCAL NOTE
HB 2205 - SB 2126

January 23, 2004

SUMMARY OF BILL:

1. Makes students who graduate from out-of-state high schools eligible for lottery scholarships and grants under the following conditions:
 - The student is a Tennessee resident but graduated from a private, out-of-state or out-of-country secondary school, day or boarding, that is accredited by the appropriate accrediting association; or
 - The student graduated from a public or private out-of-state or out-of-country secondary school that is properly accredited, but is otherwise a Tennessee resident and resides in another state or nation only while such student's parent is engaged in active military service of the United States or is on full-time national guard duty.
2. Classify a student as a Tennessee resident if the student resided in Tennessee for at least one year prior to the student's parent being deployed to another state or nation while engaged in active military service of the United States or on full-time national guard duty. This provision only applies if the student is otherwise considered a resident, except for the deployment, immediately preceding the date of application for a scholarship.

Under current law, a student must be a Tennessee graduate for at least one year prior to applying for a scholarship and be a graduate of a Tennessee high school in order to qualify for a lottery-funded scholarship.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact - Increases expenditures of lottery funds for scholarships and grants by an amount estimated to exceed \$300,000.

Assumes that a number of children who are residents of Tennessee but who graduated from a public or private out-of-state or out-of-country secondary school, will return to Tennessee to attend a higher education institution. The number of students who will attend school in Tennessee and apply for the lottery scholarship cannot be determined since it is not known how many students currently fall into these categories. It is estimated that there are at least 100 of these students who will receive lottery scholarships under this bill. Expenditures of lottery funds will therefore increase in an amount in excess of \$300,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director